

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 01-0286P

Gross and Adjusted Gross Income Tax
Fiscal Years Ended 6/30/98 and 6/30/99

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ISSUE(S)

I. **Tax Administration**—Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer is incorporated in Indiana and assembles plumbing fixtures. Upon audit it was discovered that the taxpayer failed to add back property taxes in 1999. The failure amounted to six percent in tax.

Taxpayer protests the penalty and states that it has a history of filing timely and making accurate and timely tax payments.

I. **Tax Administration**—Penalty

DISCUSSION

Taxpayer was assessed a negligence penalty for failure to add back property tax in 1999.

Taxpayer, in a letter dated May 17, 2001, protested the penalty assessed because it has a history of paying its tax liabilities timely, has made an honest attempt to correctly report its tax liabilities, and did not attempt to circumvent the law.

Taxpayer should have verified the tax return before filing. Taxpayer has not provided reasonable cause to allow the department to waive the negligence penalty.

FINDING

Taxpayer's protest is denied.